GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

R&B Deptt. – APRDC – Improvement of Riding surfaces of State Highways & Major District Roads - Administrative sanction Accorded – Mechanism of funds flow under scheme – Orders – issued.

TRANSPORT, ROADS AND BUILDINGS (ROADS-IV) DEPARTMENT

G.O.MS.No. 8 Dated: 12-04-2021
Read the following:

1. G.O.Rt.No.72, T,R&B (Roads-IV) Dept., dt.11.03.2021.
2. G.O.Rt.No.76, T,R&B (Roads-IV) Dept., dt. 18.03.2021.
3. From the C.E. (R&B) S.H. & MD, APRDC, Vijayawada, Lr.No.07012021/GM/DCE-I/DEE-4/AEE-09/Gen./2021, dt.17.03.2021.

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O R D E R:

During the review meetings on R&B Department, Hon'ble Chief Minister has directed to take up renewals of damaged roads immediately. It was decided to take up renewal of badly damaged stretches by taking loans from Banks/Financial institutions duly escrowing 50% of the amount receivable by APRDC out of the Re.1/- per litre cess imposed upon Petrol and Diesel.

2. Government have accorded administrative sanction for renewals with an amount of Rs.2205 Crores for improvement of Riding surface of State Highways and Major District Roads in R&B Department vide G.O. 1st read above.

3. In the reference 2nd read above, Government have accorded permission to the M.D., APRDC to raise loans for an amount of Rs.2000 Crores against escrow (50%) of the amount receivable by APRDC out of the Re.1/- per litre cess imposed upon Petrol and diesel for purpose of renewal of the Priority State Highways and Major District Road Stretches already sanctioned in the G.O. 1st read above.

4. In the reference 3rd read above, the C.E.(R&B), SH & MD, APRDC, Vijayawada has proposed the mechanism of funds flow under the scheme.

5. After careful examination of the proposal of the Chief Engineer (R&B), SH & MD, APRDC, A.P., Vijayawada, Government hereby permit the following Mechanism of funds flow under the scheme:

a) The Department shall fulfll all formalities for sanction of agreed loan amount with the lending bank/financial institution and such Loan drawing limit shall be communicated to the identified bank branch.

b) The Divisions/field level functionaries shall execute the work and raise the bills in the CFMS system.

c) The bills will undergo the established audit procedure at the respective PAOs.

d) After the bills are found to be correct & approved for payment, the PAOs sends them back to the MD, APRDC.

e) The MD, APRDC consolidates all such bills with a periodicity of 15 days/1 month or a fixed monetary value and sends the list of payments to the designated bank branch for payment.

f) The Banker releases the loan equal to the amount mentioned in the list of payments to the MD APRDC Account and makes payment to the contractors as per the list. (Credit & Debit entries).

g) The Banker continues to release the Loan till the agreed limit is exhausted.

6. The Andhra Pradesh Urban Infrastructure Asset Management Limited (APURBAN) and Chief Engineer (R&B) SH & MD, APRDC, A.P., are advised to negotiate with the Bankers/ Financial Institutions for competitive interest rates and terms and conditions i.e., the interest rates may be around 7.5% to 7.9% to lessen the debt burden and without any prepayment penalties. The interest rates is to be reviewed from time to time to ensure the debt burden is lessened. The Chief Engineer (R&B) SH & MD, APRDC, A.P., is requested to get fnal approval of Interest Rates and terms & conditions from Government in TR&B Department.

7. The CE (R&B), S.H. &MD, APRDC, Vijayawada is requested to approach the CEO, CFMS to ensure that necessary modifications are done by them in the work flow to ensure proper handling of bills and make payments to the contracting agencies.

8. The Chief Engineer (R&B) SH & MD, APRDC, A.P., Vijayawada, shall take further necessary action in the matter.

9. This orders issues with the concurrence of Finance (FMU.TR&B) Dept., vide their U.O.No.FIN01-BUGT0BL/33/ 2020-CDM,Dated:06-04-2021.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M T KRISHNA BABU
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Chief Engineer (R&B) SH & MD, APRDC, A.P, Vijayawada.
The Chief Engineer (R&B) MDR, A.P., Vijayawada.
The A.P. Urban Infrastructure Asset Management Ltd., Vijayawada.
Copy to :

The Finance (FMU.T,R&B) Department, A.P.
The P.S. to Hon'ble Minister (R&B).
The P.S. to Prl. Secy., to Govt., T,R&B Dept.,
SF/SC.

// FORWARDED :: BY ORDER //

SECTION OFFICER